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Short Title: Remote Electronic Notarization Act.

(Public)

Sponsors:

Referred to:

May 4, 2021

A BILL TO BE ENTITLED
AN ACT TO ALLOW REMOTE ELECTRONIC NOTARIZATION.
The General Assembly of North Carolina enacts:

SECTION 1. Article 2 of Chapter 10B of the General Statutes is amended by adding a new Part to read:

"Part 4A. Remote Electronic Notarization.

"§ 10B-134. Reserved for future codification purposes.

"§ 10B-134.1. Definitions.

In addition to the definitions provided in this Article, the following definitions shall apply in this Part:

- (1) Communication technology. – An electronic device, process, or system that allows a remote electronic notary and a remotely located principal to communicate with each other simultaneously by sight and sound using audiovisual technology and that makes reasonable accommodation for remotely located principals with vision, hearing, or speech impairments.
- (2) Communication technology recording. – The simultaneous, synchronous audio and visual recording of a notarial act.
- (3) Credential analysis. – The remote analysis of the characteristics and security features of the identification pursuant to G.S. 10B-3(22)a.
- (4) Electronic journal. – A secure electronic record of notarial acts that contains the information required under G.S. 10B-134.15.
- (5) Identity proofing. – A process or service through which a third party or service affirms the identity of a remotely located principal through review of personal information from public or proprietary data sources.
- (6) Remote electronic notarial certificate. – The portion of a notarized electronic document that is completed by the remote electronic notary and contains all of the following:
 - a. The remote electronic notary's electronic signature and the remote electronic notary's electronic seal.
 - b. The facts attested to by the remote electronic notary in a particular notarization.
 - c. A statement that a remotely located principal made the acknowledgment, oath or affirmation, or verification or proof.



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- 1 d. A statement that the notarization is a remote electronic notarization
2 performed using communication technology by a remote electronic
3 notary.
- 4 (7) Remote electronic notarization or remote electronic notarial act. – A notarial
5 act performed by means of communication technology.
- 6 (8) Remote electronic notary public or remote electronic notary. – A notary public
7 who is registered with the Secretary to perform remote electronic
8 notarizations.
- 9 (9) Remotely located principal. – A principal who is not in the physical presence
10 of the remote electronic notary.
- 11 "**§ 10B-134.2.** Reserved for future codification purposes.
- 12 "**§ 10B-134.3. Types of remote electronic notarial acts; prohibitions.**
- 13 (a) Upon registration with the Secretary under this Article, a remote electronic notary
14 may perform any of the notarial acts listed in G.S. 10B-115 by means of communication
15 technology in accordance with this Part. A remote electronic notary may perform any authorized
16 remote notarial act with respect to tangible records or electronic documents.
- 17 (b) A remote electronic notary shall not perform a remote electronic notarial act if any of
18 the following apply:
- 19 (1) The remotely located principal is not physically located in this State.
20 (2) The remotely located principal is not personally known to the remote
21 electronic notary or the remotely located principal's identity cannot be verified
22 under G.S. 10B-134.11.
- 23 (3) Any reason set forth in G.S. 10B-20.
24 (4) Any reason set forth in G.S. 10B-134.9.
- 25 (c) Notwithstanding subsection (a) of this section, a remote electronic notary shall not
26 perform any remote electronic notarial act with regard to any of the following documents:
- 27 (1) A self-proved will executed pursuant to Article 4A of Chapter 31 of the
28 General Statutes.
- 29 (2) An advance directive for a natural death executed pursuant to Article 23 of
30 Chapter 90 of the General Statutes.
- 31 (3) A health care power of attorney executed pursuant to Article 3 of Chapter 32A
32 of the General Statutes.
- 33 (4) A revocable or irrevocable trust or any document amending the same.
34 (5) A death beneficiary form that requires an acknowledgment.
35 (6) A durable power of attorney except a statutory limited power of attorney for
36 real estate.
- 37 (7) A codicil to a will.
38 (8) Any document related to the renunciation of parental rights in an adoption.
39 (9) Mail-in absentee ballots issued under Article 20 of Chapter 163 of the General
40 Statutes.
- 41 (d) The prohibitions in subdivision (b)(1) of this section and subsection (c) of this section
42 shall not apply when, at the time the remote electronic notarial act is performed, all of the
43 following conditions are met:
- 44 (1) The remotely located principal is a member of the Armed Forces of the United
45 States or is the spouse of a member of the Armed Forces of the United States.
- 46 (2) The remotely located principal is located out of this State pursuant to military
47 orders assigning the member of the Armed Forces of the United States to
48 active duty outside this State for more than 120 days.
- 49 (3) The remotely located principal is physically located on the military
50 installation or vessel named in the military orders.

(e) No remotely notarized power of attorney may be used by the attorney-in-fact with any other remotely notarized document to convey title to, or transfer any interest in, a remotely located principal's real property. This subsection does not apply to powers of attorney executed by a remotely located principal under subsection (d) of this section.

"§ 10B-134.4. Reserved for future codification purposes.

"§ 10B-134.5. Use of communication technology.

(a) The communication technology used by a remote electronic notary to perform notarial acts for remotely located principals shall, making reasonable accommodations for remotely located principals with vision, hearing, or speech impairments, comply with all of the following requirements:

- (1) Host the meeting between the remote electronic notary and the remotely located principal in real time.
- (2) Allow direct interaction between the remotely located principal seeking the remote electronic notary's services and the remote electronic notary so that each can communicate simultaneously by sight and sound through an electronic device, process, or system.
- (3) Include audio with sound clear enough that each participant in the remote electronic notarial act can hear and understand all other participants.
- (4) Have sufficient quality to allow a clear and unobstructed visual observation of the face of each participant and any identification provided by the remotely located principal for a sufficient time to allow the remote electronic notary to determine if it is satisfactory evidence. The remote electronic notary shall determine if the time is sufficient.
- (5) Not include prerecorded video or audio or both.
- (6) Be capable of recording by the communication technology's recording and storage services.

(b) The remote electronic notary shall take reasonable steps to provide that the communication technology used in a remote electronic notarization is secure from unauthorized interception. A remote electronic notary may select one or more tamper-evident technologies to perform notarial acts with respect to electronic documents or to perform remote electronic notarizations. In addition to any requirements of this Article or established by the Secretary, the communication technology shall provide automated backup of the communication technology recording.

(c) No person may require a remote electronic notary to perform any remote electronic notarial act using a communication technology the remote electronic notary has not selected.

"§ 10B-134.6. Reserved for future codification purposes.

"§ 10B-134.7. Authority to perform remote electronic notarial acts.

(a) A remote electronic notary may perform a remote electronic notarial act authorized under this Article only while the remote electronic notary is physically located in this State.

(b) Except as provided in G.S. 10B-134.3(c), a remote electronic notary physically located in this State may perform a remote electronic notarial act using communication technology only for a remotely located principal who is physically located in this State.

(c) A remote electronic notarization performed by a remote electronic notary of this State according to this Chapter is governed by the laws of this State.

"§ 10B-134.8. Reserved for future codification purposes.

"§ 10B-134.9. Requirements and procedures for remote electronic notarial acts.

(a) All of the following shall occur prior to the performance of a remote electronic notarial act:

- (1) The remote electronic notary shall inform the participants that North Carolina law requires that a communication technology recording be made of the remote electronic notarization.

- (2) The remote electronic notary shall require the remotely located principal to demonstrate, to the satisfaction of the remote electronic notary, that the remotely located principal is not under duress and is not otherwise being coerced to complete the transaction.
- (3) The remote electronic notary shall verify the identity of the remotely located principal as provided in G.S. 10B-134.11.
- (4) The remotely located principal shall verbally state what documents are being signed for the notarial record or the general nature of the transaction.
- (b) In addition to the prohibitions contained in G.S. 10B-134.3, a remote electronic notary shall refuse to perform a remote electronic notarial act if any of the following apply:
- (1) The remote electronic notary has reasonable grounds to believe the remotely located principal is acting under duress or is being coerced into completing the transaction.
- (2) The remote electronic notary becomes aware that the communication technology is not secure.
- (3) The electronic signature of the remotely located principal cannot be attached to the electronic document for signature.
- (4) The remote electronic notary's electronic notarial certificate and seal cannot be attached to the electronic document using an electronic technology that renders any subsequent change or modification to the document evident.
- (c) If the notarial act is an oath or affirmation, the remote electronic notary shall administer the oath or affirmation to the remotely located principal using communication technology.
- (d) In judicial actions or proceedings when an oral oath or affirmation is administered to a witness that does not require notarization of a record or a notarial certificate and seal when done in person, any notary public registered with the Secretary, whether or not registered as a remote electronic notary, may administer that oath or affirmation while physically located in this State to the remotely located witness using communication technology, provided that the notary satisfies all requirements of this Article relating to the identity proofing of the witness. The notary shall not be required to select the medium of communication technology or to retain a communication technology recording of the performance of each remote oral oath or affirmation.
- (e) Any failure of the remote electronic notary to comply with the requirements of the remote electronic notarization does not invalidate the notarial act or the electronic record that was notarized, but it does not prevent an aggrieved person from seeking to invalidate the record on other substantive grounds.
- (f) A remote electronic notary shall maintain the confidentiality of a remotely located principal's documents at all times.
- "§ 10B-134.10. Reserved for future codification purposes.**
- "§ 10B-134.11. Verification of identity; identity proofing; credential analysis.**
- (a) The remote electronic notary shall verify the remotely located principal's identity using one of the following:
- (1) The remote electronic notary's personal knowledge of the person creating the electronic signature. A remote electronic notary may rely on the communication technology to verify the remotely located principal's identity unless the remote electronic notary, in the remote electronic notary's sole discretion, requires satisfactory evidence other than through a credible witness.
- (2) By satisfactory evidence established, other than through a credible witness, before performance of the notarial act, by one of the following methods:
- a. Identification based on at least one current document issued by a federal, state, or federal or state recognized tribal government agency

bearing the photographic image of the individual's face and either the signature or a physical description of the individual.

b. Two forms of authentication for identity proofing and credential analysis approved by the Secretary.

(b) Notwithstanding subsection (a) of this section, a remote electronic notary may require the remotely located principal to provide additional information or identification credentials necessary to assure the remote electronic notary of the identity of the remotely located principal.

"§ 10B-134.12. Reserved for future codification purposes.

"§ 10B-134.13. Electronic notarization and remote electronic notarization.

When using an electronic notarization as well as conducting a remote electronic notarization, the remote electronic notary shall comply with the requirements of Article 1 of this Chapter. Each remote electronic notarization shall include a communication technology recording. There shall be no requirement that the communication technology recording further include any transactions other than the remote electronic notarial act unless the Secretary specifies a requirement to also record interactions of those particular transactions.

"§ 10B-134.14. Reserved for future codification purposes.

"§ 10B-134.15. Electronic journal of remote electronic notarial acts.

(a) A remote electronic notary who performs a remote electronic notarization shall enter information about the remote electronic notarization in an electronic journal. The electronic journal shall be the exclusive property of the remote electronic notary. The remote electronic notary shall not allow another person to make entries in the electronic journal.

(b) At a minimum and for each remote electronic notarization, the remote electronic notary shall include the following information in the electronic journal:

(1) The date and time when the remote electronic notary observed the signing of the document by each remotely located principal and was presented with the remotely located principal's satisfactory evidence, other than through a credible witness, of identification.

(2) The date and time of the completion of the remote electronic notarial certificate.

(3) The last and first name of each remotely located principal.

(4) The type of notarial act performed.

(5) The type of document notarized or proceeding performed.

(6) The type of satisfactory evidence, other than through a credible witness, of identification presented, including, if applicable, the issuing agency and identification number on the identification presented.

(7) The type of communication technology used during the remote electronic notarization.

(8) Whether any other person was present with the remotely located principal at the time of signature and, if so, the name of that person.

(9) The fee, if any, charged by the remote electronic notary.

(c) A third party involved in a transaction that utilizes remote electronic notarization may require additional information regarding that transaction be included in the electronic journal kept by the remote electronic notary.

(d) A remote electronic notary; guardian, conservator, or agent of a remote electronic notary; or a personal representative of a deceased remote electronic notary shall retain a communication technology recording of the performance of each remote electronic notarial act for 10 years after the performance of the notarial act. A remote electronic notary; guardian, conservator, or agent of a remote electronic notary; or a personal representative of a deceased remote electronic notary may, by written contract, engage a third party, including the communication technology provider, to act as a depository to provide the storage required by this section. The contract shall:

- (1) Enable the remote electronic notary; guardian, conservator, or agent of a remote electronic notary; or a personal representative of a deceased remote electronic notary to comply with the retention requirements of this section even if the contract is terminated; or
- (2) Provide that the information will be transferred to the remote electronic notary; guardian, conservator, or agent of a remote electronic notary; or a personal representative of a deceased remote electronic notary if the contract is terminated.
- (e) On resignation from, or the revocation or suspension of, a remote electronic notary's commission, the remote electronic notary shall retain the electronic journal in accordance with the requirements of this section and G.S. 10B-134.17.
- (f) A remote electronic notary may designate a steward, who must be a third-party vendor approved by the Secretary in accordance with G.S. 10B-134.20, to do any of the following:
- (1) Maintain the electronic journal and any backup copies thereof.
- (2) Retain a communication technology recording of the notarial act performed and any backup copies thereof.
- (3) Provide a method by which a remote electronic notary can do any of the following:
- a. Access the electronic journal.
- b. Access the communication technology recording.
- c. Export the electronic journal.
- d. Export the communication technology recording.
- (g) A remote electronic notary shall designate a steward, who must be a third-party vendor approved by the Secretary, to receive and maintain the remote electronic notary's electronic journal and all other notarial records under this Article for the time period and in a manner as required by law or by rule adopted by the Secretary as follows:
- (1) Upon resignation, revocation, or expiration of a notary commission, the remote electronic notary shall deliver to the steward all notarial records required by statute or rule to the steward.
- (2) Upon the death or adjudication of incompetency of a current or former remote electronic notary, the remote electronic notary's personal representative or guardian or any other person knowingly in possession of the electronic journal and other notarial records shall transmit the same to the steward.
- "§ 10B-134.16. Reserved for future codification purposes.**
- "§ 10B-134.17. Security measures by notary; surrender of journal; etc.**
- (a) A remote electronic notary shall comply with all of the following security requirements:
- (1) All records of journal entries and communication technology recordings shall be securely stored in a repository under the control of the remote electronic notary or with a steward duly appointed under the terms of this Article. The steward may be a third-party vendor approved by the Secretary for handling, securely storing, or handling and securely storing the records of remote electronic notarizations with data protection safeguards consistent with generally accepted information security standards.
- (2) Take reasonable steps to ensure that the communication technology recordings are secure from interception from an unauthorized third party during transmission between participants involved in a notarial act. The communication technology used by the remote electronic notary shall employ data protection safeguards consistent with generally accepted information security standards.

(3) Retain the electronic journal and a backup copy of the electronic journal in a secure location for 10 years after the last notarization chronicled in the electronic journal. The same requirement applies if the remote electronic notary also maintained a tangible journal of remote electronic notarial acts. The notary may maintain an electronic journal in an electronic form in a permanent, tamper-evident electronic format.

(b) A remote electronic notary may surrender the electronic journal to the remote electronic notary's employer upon termination of employment, but the remote electronic notary shall also keep and maintain an accurate backup copy of the journal for 10 years.

(c) Except as provided in subsection (b) of this section, the notary shall not surrender or destroy the electronic journal or the communication technology recordings of notarial acts except as required by a court order or as allowed under rules adopted by the Secretary.

(d) Within 10 days of discovering any permanent loss of data, unauthorized use, loss of use, or compromise of security of the electronic journal or the communication technology recordings of notarial acts, the remote electronic notary shall do all of the following:

(1) Inform the appropriate law enforcement agency in the case of theft, tampering, or vandalism.

(2) Notify the appropriate register of deeds and the Secretary in writing and signed in the official name in which the remote electronic notary was commissioned. The notice shall indicate whether there was any permanent loss of data, unauthorized use, loss of use, or compromise of security of the electronic journal or the communication technology recordings of notarial acts.

(e) The failure of a remote electronic notary to produce within 30 days of the Department's request any record required by a rule adopted under this Article shall result in the suspension of the remote electronic notary's power to act as a notary under the provisions of this Chapter until the Secretary reinstates the notary's commission.

"§ 10B-134.18. Reserved for future codification purposes.

"§ 10B-134.19. Security measures by Secretary.

(a) The Secretary may establish guidelines for the secure storage of the electronic journal and communication technology recording associated with the notarial acts that utilizes standard encryption technologies such as Advanced Encryption Standard (AES) or Rivest-Shamir-Adleman (RSA) encryption.

(b) The Secretary may establish, supplement, or amend third-party service guidelines for standards and processes for identity proofing and credential analysis services so that third-party vendors interacting with remote electronic notaries satisfy the security qualifications of establishing the identity of the remotely located principal.

(c) The Secretary may establish standards and processes for the communication technology to allow real-time communications such that the participants can see and hear notarial acts. The standards and processes shall ensure that the real-time communications are secure from unauthorized interception, access, or viewing. The Secretary may require that the communication technology used to perform electronic notarial acts is capable of all of the following:

(1) Provides for continuous, synchronous audiovisual feeds.

(2) Provides sufficient video resolution and audio clarity to enable the notary and the remotely located principal to see and speak with each other simultaneously through live, real-time transmission.

(3) Provides sufficient captured image resolution for credential analysis to be performed.

(4) Includes a means of authentication that reasonably ensures only authorized parties have access to the communication technology and communication technology recordings.

- (5) Provides some manner of ensuring that the electronic record presented for electronic notarization is the same record electronically signed by the remotely located principal.
- (6) Securely creating and storing or transmitting securely to be stored a communication technology recording of the communication technology recording, keeping confidential the questions asked as part of any identity proofing and the means and methods used to generate the credential analysis.
- (d) The Secretary may establish standards for tamper-evident technologies such that any subsequent change or modification to the record is self-evident.
- (e) A remote electronic notary shall use a communication technology provided by a third-party vendor that has presented evidence to the Secretary that the communication technology complies with the applicable industry standards for the industry in which it is to be utilized. At a minimum, the communication technology should provide reasonable security measures to prevent unauthorized access to:
- (1) The live transmission of the remote electronic notarial act.
- (2) Any communication technology recording of the remote electronic notarial act.
- (3) The verification methods and credentials used to verify the identity of the remotely located principal.
- (4) The electronic documents presented for remote electronic notarization.
- (f) The Secretary may adopt other rules necessary to ensure the integrity, security, and authenticity of remote electronic notarizations. In adopting other rules, the Secretary may impose other education requirements on remote electronic notaries, prescribe the manner of performing remote electronic notarial acts, and include provisions relating to the integrity and security of the information. In adopting, amending, or repealing a rule governing the performance of a notarial act with respect to a remotely located principal, the Secretary may consider:
- (1) The most recent standards promulgated by national standard-setting organizations and the National Association of Secretaries of State.
- (2) Standards, practices, and customs of other jurisdictions that have laws substantially similar to this Article.
- (3) The view of government officials and entities and other interested persons.
- (4) The feedback of the advisory committee which may be created under this Article.
- (5) What is in the best interest of the State as consistent with G.S. 10B-2. This may be accomplished when and if the Secretary chooses to create an advisory committee consisting of stakeholders from different sectors that may be technology providers, insurance agents, lenders, and other industries that are considered consumers of notarial services. All members of the advisory committee must be residents of this State. Members shall be appointed by the Secretary for a duration of time to be determined by the Secretary and may be removed from the advisory committee at the discretion of the Secretary. The advisory committee shall serve as advisors for the Secretary for purposes of ensuring that the requirements of G.S. 10B-2 are being satisfied. The advisory committee shall have no executive or rulemaking authority.
- (g) If the Secretary has established standards regarding technology to perform notarial acts with respect to electronic documents or to perform remote electronic notarizations, the technology chosen by the remote electronic notary shall conform to those standards. If the Secretary has established standards under this Article for approval of communication technology or identity proofing, the communication technology and identity proofing selected by the notary must conform to the standards.

(h) In addition to adopting rules under this Article, the Secretary may adopt rules regarding performance of a notarial act. The rules may:

- (1) Prescribe the means of performing a notarial act involving a remotely located principal using communication technology.
- (2) Establish standards for communication technology, identity proofing, and credential analysis.
- (3) Establish requirements or procedures to approve providers of communication technology and the process of identity proofing and credential analysis.
- (4) Establish standards and a period for the retention of a communication technology recording created under this Article for notarial acts for a period of no more than 10 years.

"§ 10B-134.20. Standards for third-party vendors; liability.

(a) Third-party vendors shall meet all standards established by the Secretary under G.S. 10B-134.19 for the provision of services to remote electronic notaries in this State. If the Secretary has not established standards for a service, a third-party vendor may not furnish that service to a remote electronic notary public until the Secretary has determined that the provided service meets security standards generally accepted within the industry for that service.

(b) Third-party vendors are liable to any person who suffers damages from a remote electronic notarial act if all of the following apply:

- (1) The damage is proximately caused by a service provided by the third-party vendor that failed to meet any standard under subsection (a) of this section.
- (2) The person damaged was a party to, or in privity with a party to, the remote electronic notarial act proximately causing the damage.

(c) For purposes of this section, "third-party vendor" shall mean any person providing communication technology, credential analysis, identity proofing, or custodial services to remote electronic notaries.

"§ 10B-134.21. Real estate transactions.

(a) Nothing in this Article shall be construed to alter or supersede the law as set forth in Chapter 84 of the General Statutes, G.S. 10B-20(i) through (k), G.S. 75-1.1, or any opinion or ruling by a North Carolina court of competent jurisdiction or the North Carolina State Bar and pertaining to the unauthorized practice of law in this State, including the requirements that a licensed North Carolina attorney shall supervise a residential real estate closing under Authorized Practice Advisory Opinion 2002-1 issued by the North Carolina State Bar and perform any and all services defined as the practice of law for real property located in this State.

(b) A remote electronic notary who is not a licensed North Carolina attorney is prohibited from rendering services or advice that constitutes the practice of law in this State.

"§ 10B-134.22. Reserved for future codification purposes.

"§ 10B-134.23. Reserved for future codification purposes.

"§ 10B-134.24. Reserved for future codification purposes.

"§ 10B-134.25. Reserved for future codification purposes.

"§ 10B-134.26. Reserved for future codification purposes."

SECTION 2.(a) G.S. 10B-2(6) reads as rewritten:

"(6) To integrate procedures for ~~traditional paper and electronic notarial acts.~~ all of the following notarial acts:

- a. Traditional paper.
- b. Electronic notarization.
- c. Remote electronic notarization."

SECTION 2.(b) G.S. 10B-101 reads as rewritten:

"§ 10B-101. Definitions.

The following definitions apply in this Article:

- (1) ~~"Electronic" means relating~~ Electronic. – Relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.
- (2) ~~"Electronic Document" means information~~ Electronic document. – Information that is created, generated, sent, communicated, received, or stored by electronic means.
- (3) ~~"Electronic Notarial Act" and "Electronic Notarization" mean an~~ Electronic notarial act and electronic notarization. – An official act by an electronic notary public that involves electronic documents.
- (4) ~~"Electronic Notary Public" and "Electronic Notary" mean a~~ Electronic notary public and electronic notary. – A notary public who has registered with the Secretary the capability of performing electronic notarial acts in conformance with this Article.
- (5) ~~"Electronic Notary Seal" and "Electronic Seal" mean information~~ Electronic notary seal and electronic seal. – Information within a notarized electronic document that includes the notary's name, jurisdiction, and commission expiration date, and generally corresponds to data in notary seals used on paper documents.
- (6) ~~"Electronic Signatures" means an~~ Electronic signatures. – An electronic symbol or process attached to or logically associated with an electronic document and executed or adopted by a person with the intent to sign the document.
- (7) ~~"Notary's Electronic Signature" means those~~ Notary's electronic signature. – Those forms of electronic signature which have been approved by the Secretary as authorized in G.S. 10B-125, as an acceptable means for an electronic notary to affix the notary's official signature to an electronic record that is being notarized.
- (8) Remote electronic notary public or remote electronic notary. – As defined in G.S. 10B-134.1."

SECTION 2.(c) G.S. 10B-105 reads as rewritten:

"§ 10B-105. Qualifications.

(a) A person qualified for electronic notary registration or remote electronic notary registration shall meet all of the following requirements:

- (1) Hold a valid commission as a notary public in the State of North Carolina.
- (2) Except as otherwise provided, abide by all the provisions of Article 1 of this Chapter.
- (3) Satisfy the requirements of G.S. 10B-107.
- (4) Submit an electronic registration form containing no significant misstatement or omission of fact.

(b) The Secretary may deny a registration as an electronic notary or remote electronic notary as authorized in G.S. 10B-5(d)."

SECTION 2.(d) G.S. 10B-106 reads as rewritten:

"§ 10B-106. Registration with the Secretary of State.

(a) Before performing notarial acts ~~electronically~~, electronically or remotely, a notary shall register the capability to notarize electronically or remotely with the Secretary.

(b) The term of registration as an electronic notary or remote electronic notary shall coincide with the term of the notary's commission under Article 1 of this Chapter.

(c) An electronic notary or remote electronic notary shall reregister the capability to notarize electronically or remotely at the same time the notary applies for recommissioning under the requirements of Article 1 of this Chapter.

(d) An electronic form shall be used by an electronic notary or remote electronic notary in registering with the Secretary and it shall include, at least all of the following:

- (1) The applicant's full legal name and the name to be used for commissioning, excluding nicknames.
- (2) The state and county of commissioning of the registrant.
- (3) The expiration date of the registrant's notary commission.
- (4) Proof of successful completion of the course of instruction on electronic notarization as required by this Article.
- (5) A description of the technology the registrant will use to create an electronic signature in performing official acts.
- (6) If the device used to create the registrant's electronic signature was issued or registered through a licensed certification authority, the name of that authority, the source of the license, the starting and expiration dates of the device's term of registration, and any revocations, annulments, or other premature terminations of any registered device of the registrant that was due to misuse or compromise of the device, with the date, cause, and nature of each termination explained in detail.
- (7) The e-mail address of the registrant.

The information provided in a registration that relates to subdivision (7) of this section shall be considered confidential information and shall not be subject to disclosure under Chapter 132 of the General Statutes, except as provided by rule.

(e) The electronic registration form for an electronic notary or remote electronic notary shall be transmitted electronically to the Secretary and shall include any decrypting instructions, codes, keys, or software that allow the registration to be read.

(f) Within 10 business days after the change of any registration information required of an electronic ~~notary~~, notary or remote electronic notary, the notary shall electronically transmit to the Secretary a notice of the change of information signed with the notary's official electronic signature."

SECTION 2.(e) G.S. 10B-117 reads as rewritten:

"§ 10B-117. Notarial components of electronic document.

In performing an electronic or remote electronic notarial act, all of the following components shall be attached to, or logically associated with, the electronic document by the electronic ~~notary~~, notary or remote electronic notary, all of which shall be immediately perceptible and reproducible in the electronic record to which the notary's electronic signature is attached:

- (1) The notary's name, state, and county of commissioning exactly as stated on the commission issued by the ~~Secretary~~; Secretary.
- (2) The words "Electronic Notary ~~Public~~"; Public" or "Remote Electronic Notary Public Utilizing Communication Technology."
- (3) The words "State of North ~~Carolina~~"; Carolina."
- (4) The expiration date of the ~~commission~~; commission.
- (5) The notary's electronic ~~signature~~; and signature.
- (6) The completed wording of one of the following notarial certificates:
 - a. ~~Acknowledgment~~; Acknowledgment.
 - b. ~~Jurat~~; Jurat.
 - c. Verification or ~~proof~~; or proof.
 - d. Oath or affirmation."

SECTION 2.(f) G.S. 10B-118 reads as rewritten:

"§ 10B-118. Maximum fees.

(a) For performing electronic notarial acts, the maximum fees that may be charged by an electronic notary are as follows:

- (1) For ~~acknowledgments, \$10.00~~ acknowledgments – ten dollars (\$10.00) per signature.
- (2) For ~~jurats, \$10.00~~ jurats – ten dollars (\$10.00) per signature.
- (3) For verifications or ~~proofs, \$10.00~~ proofs – ten dollars (\$10.00) per signature.
- (4) For oaths or ~~affirmations, \$10.00~~ affirmations – ten dollars (\$10.00) per signature.

(b) For performing remote electronic notarial acts, the maximum fees that may be charged by a remote electronic notary are:

- (1) For acknowledgments or verifications or proofs – twenty-five dollars (\$25.00) per signature.
- (2) For jurats – twenty-five dollars (\$25.00) per signature.
- (3) For oaths or affirmations – twenty-five dollars (\$25.00)."

SECTION 3. G.S. 20-30(6) reads as rewritten:

"(6) To make a color photocopy or otherwise make a color reproduction of a drivers license, learner's permit, or special identification card which has been color-photocopied or otherwise reproduced in color, unless such color photocopy or other color reproduction was authorized by the ~~Commissioner~~ Commissioner, is to perform a remote notarization act under Part 4A of Article 2 of Chapter 10B of the General Statutes, or is made to comply with G.S. 163-230.2. It shall be lawful to make a black and white photocopy of a drivers license, learner's permit, or special identification card or otherwise make a black and white reproduction of a drivers license, learner's permit, or special identification card."

SECTION 4.(a) If House Bill 650, 2021 Regular Session, becomes law, G.S. 20-30(6), as amended by that act, reads as rewritten:

"(6) To make a color photocopy or otherwise make a color reproduction of a drivers license, learner's permit, or special identification card, unless such color photocopy or other color reproduction was authorized by the Commissioner or is made to comply with G.S. 163-230.2. It shall be lawful to make a black and white photocopy of a drivers license, learner's permit, or special identification card or otherwise make a black and white reproduction of a drivers license, learner's permit, or special identification card. This subdivision does not apply to: ~~(i) a~~ to any of the following:

- a. A lender that is licensed or otherwise authorized to engage in the lending business in this State; ~~(ii) a State.~~
- b. A licensed motor vehicle dealer creating, storing, or receiving, in the ordinary course of business, a color image of a drivers license, learner's permit, or special identification card of a borrower or loan applicant; ~~or (iii) a applicant.~~
- c. A federally insured depository institution or its affiliates creating, storing, or receiving, in the ordinary course of business, a color image of a drivers license, learner's permit, or special identification card of a consumer.
- d. Performance of a remote notarization act under Part 4A of Article 2 of Chapter 10B of the General Statutes."

SECTION 4.(b) If House Bill 650, 2021 Regular Session, becomes law, Section 3 of this act is repealed.

SECTION 5. This act becomes effective January 1, 2022. In order to implement remote notarization on the effective date of this act, the Secretary of State may begin rulemaking to implement Part 4A of Article 2 of Chapter 10B of the General Statutes, as enacted by this act,

- 1 prior to January 1, 2022, but no temporary or permanent rule shall become effective prior to
2 January 1, 2022.